

APR 18 2001

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION

MICHAEL N. MULBY, CLERK OF COURT

IN RE:
SENTRY OPERATING COMPANY OF
TEXAS, INC.

SENTRY GROUP SERVICES, INC.

SENTRY OPERATING CO.

SENTRY OPERATING WEST, INC.

SENTRY OPERATING COMPANY
OF COLORADO, INC

SENTRY OPERATING COMPANY
OF KANSAS, INC.

SENTRY OPERATING COMPANY OF
NEW MEXICO, INC.

SENTRY SERVICES AGENCY, INC.-DEL

SENTRY SERVICES AGENCY, INC. -
NEW MEXICO

CREMATION SOCIETY OF OKLAHOMA,
INC.

FUNERAL SERVICE MANAGEMENT, INC.

AMEY FUNERAL HOME, INC.

DEBTORS

CASE NO. 01-

CASE NO. 01-

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CASE NO. 01-

JOINTLY ADMINISTERED
UNDER CASE NO. 01-

01-60129-V2-11 ✓

**PRELIMINARY ORDER AUTHORIZING USE OF CASH COLLATERAL
AND SETTING FINAL HEARING ON DEBTOR'S USE OF CASH COLLATERAL**

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The Debtors in these Chapter 11 cases have moved this Court on an emergency basis for a preliminary order authorizing use of cash collateral. The Court set a hearing on this Motion for April _____, 2001, at which counsel for the parties appeared and presented evidence and oral argument. After careful consideration of all matters before it, the Court is of the opinion that the estate would incur irreparable injury if the Debtors' Motion is not granted. Therefore, it is

ORDERED that the Debtors be and are hereby authorized to use cash collateral to pay the expenses shown on the budget attached as Exhibit "A" from the date this order is signed through date of the final hearing; it is further

ORDERED that SCI Loans Services, LLC and the Seller Notes interest in cash collateral are granted, as adequate protection, post-petition liens on all assets to the same extent and validity as their pre-petition liens.

ORDERED that a final hearing on Debtors' Motion to Use Cash Collateral is hereby set for the 7th day of ^{May}~~April~~ 2001, at 4:00 o'clock p.m., in Courtroom 406, United States Courthouse, 515 Rusk, 4th Floor, Houston, Texas.

SIGNED this the 7th day of April, 2001.

Wesley W. Steen
UNITED STATES BANKRUPTCY JUDGE

Debtor shall file an agreement for additional use of cash collateral to cover the period 5/1/01 - 5/7/01. That agreement shall be noticed to all secured lenders not later than April 20, 2001 and will be approved by the Court if no objection is filed by April 26. If an objection is filed, it will be heard on April 27, 2001 at 2:00 PM.

SENTRY GROUP SERVICES
"Cash Collateral" Schedule
Estimated Cash Requirements April 13-30 Inclusive

By Type of Expense

Cost of Goods Sold (C):	
Caskets	\$ 141,300
Vaults	53,100
Removal & Embalming	25,900
Other	55,300
Out of Pocket Reimbursibles (Flowers, Minister Fees, etc.) (126,800
Payroll (B)	174,000
Facility Costs (C):	
Utilities	18,500
Repairs & Maintenance	12,300
Other Operating (C):	
Employee Benefits	14,400
Advertising	20,700
Insurance	9,200
Communications	13,100
Auto Expense	8,100
Office Supplies	6,500
Other	87,700
Other G&A (C):	
Professional Fees	15,000
Rent	3,700
Other	20,900
	<u>\$ 806,500</u>

(A) Based on running rate from January 1 through April 12, 2001

(B) Biweekly payrolls have been between 171,000 and 174,000 for 2001

(C) Based on recent costs per day

(D) Includes payments by bank drafts and checks